

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MOTION TO ADJUST RATES IN)
ACCORDANCE WITH PURCHASED)
GAS ADJUSTMENT CLAUSE OF) CASE NO. 8562-C
PHELPS GAS COMPANY, INC.)

O R D E R

On November 30, 1982, the Commission issued its Order in Case No. 8562 approving certain rates and providing, under certain conditions, for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On February 7, 1983, Phelps Gas Company, Inc., ("Phelps") notified the Commission that its wholesale cost of gas would be increased by its supplier, Columbia Gas of Kentucky, Inc., ("Columbia") effective March 1, 1983, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the notice filed in this case and being advised, the Commission is of the opinion and finds that:

(1) Phelps' notice of February 7, 1983, set out certain revisions in rates which Phelps proposed to place into effect, said rates being designed to pass on the wholesale increase in cost from its supplier in the amount of \$7,431 or 22.8 cents per Mcf.

(2) Phelps' adjustment in rates under the purchased gas adjustment clause approved by the Commission in its Order in Case No. 8562 dated November 30, 1982, is fair, just and reasonable, in the public interest and should be effective with gas supplied on and after March 1, 1983, subject to refund.

IT IS THEREFORE ORDERED that the rates in Appendix A be and they hereby are approved, effective for gas supplied on and after March 1, 1983, subject to refund.

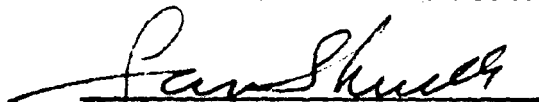
IT IS FURTHER ORDERED that for the purpose of the future application of the purchased gas adjustment clause of Phelps, the base rate for purchased gas shall be:

	<u>Commodity</u>
Columbia Gas of Kentucky, Inc.	\$6.016 per Mcf

IT IS FURTHER ORDERED that within 30 days after the date of this Order, Phelps shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 25th day of February, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO 8562 DATED February
25, 1983.

The following rates are prescribed for the customers in the area served by Phelps Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES:

First 1 Mcf
Over 1 Mcf

\$ 9.57 Minimum Bill
7.27 per Mcf